

Freight Mobility Strategic Investment Board



Chicago Metro Agency for Planning
Freight Leadership Task Force
November 15, 2013

In the beginning...

- **1996**: Private Sector concerns – legislative tour Alameda Corridor
- Freight Mobility Advisory Committee formed – FMSIB envisioned
- **1997**: Committee develops Project Priority scoring – balance truck/rail
- **1998**: Legislature creates freight agency

As we developed...

- **1999** – Independent agency - hired staff...loss of capital funding
- **2000** –partners rally to replace lost FMSIB funds for current construction
- **2000-2004** – funding: project specific funding by legislature

Show us the money...

- **2005**: Dedicated funding approved
- **2011**: Additional funds earmarked
- **2013**: Revenue package-FMSIB funds
- FMSIB selected to convene MAP 21 freight advisory committee

Mission

The Washington Freight Mobility Strategic Investment Board was created by the Legislature to identify and recommend investments that improve and mitigate freight movement on strategic state corridors, grow jobs and the economy, and bolster Washington as a leader in international trade.

The Board is also charged with finding solutions that lessen the impact of the movement of freight on local communities.

Goals

- Advocate for strategic freight transportation projects that moves commerce, brings economic development and a return to the state;
- Focus on timely construction and operation of projects that support jobs;
- Leverage funding from public and private stakeholders;

Goals

- Develop solutions that cross modal and jurisdictional lines to create funding partnerships;
- Serve as the de facto freight project screening agency for state and federal policy makers.
- Advise State Freight Plan & State Transportation Plan on freight needs & trends.

FMSIB

- “Focus on Freight Rail, Road, Air and Waterway Projects which improves the movement of freight and/or mitigates the impact of freight on communities.”
- Created by the private sector stakeholders and the Legislature to focus solely on freight without jurisdictional bias
- Board Policy and Project Selection Guided By 12 member Board appointed by the Governor
- Railroad, Port, Trucking Maritime Representation & City, County & State Stakeholders

Freight Mobility Strategic Investment Board 2013

Dan Gatchet
Dabob Bay
Public Member

Dave Gossett
Montlake Terrace
Counties

Mark Knudsen
Bainbridge Island
Maritime

Larry Paulson
Vancouver
Ports

Sherri Call
Federal Way
Trucking

Tom Trulove
Spokane
Cities

John Creighton
Seattle
Ports

Terry Finn
Seattle
Railroads

Pat Hulcey
Fife
Cities

Robin Rettew
Olympia
Governor

Brian Ziegler
Olympia
Counties

Brock Nelson*
Portland
***ex-officio
(UP Railroad)**

Lynn Peterson
Olympia
WSDOT

Role of the Board

- Guides the agency's strategic plan
- Evaluates & scores project applications
- Modal validation of project benefits
- Advocates for funding
- Acts as an unbiased broker

Role of the Board

- Competitively neutral
- Unpaid expertise
- Facilitate partnership participation
- Develops agreements & leveraged funding
- Advises of freight trends & concerns

MAP 21 - Role

- Washington State Freight Advisory Committee
- Standing Committee of the Board
- MPO, RTPO, Aerotropolis, Tribal, Labor
- Advises WSDOT & Transportation Commission

FMSIB Process

- Independent Project Analysis – Board & technical team
- Qualitative – Quantitative evaluation
- Nationally recognized “best practice” program & process
- Six-year list of projects maintained
- Dollar value and percentage assigned
 - FMSIB cannot increase financial participation
 - If project costs go up – dollar value used
 - If project costs go down – percentage used
- One year rule to enter construction

FMSIB Process



Objectives

- Direct Private participation
- Short-term Implementation
- Competitively neutral
- Multijurisdictional
- Improved Freight Flow
- Minimized Impact on Local Communities
- Corridor Development
- Leveraged Funding
- Accountability
- On time – on budget

FMSIB Project Selection

- **All Projects include multiple partners**
- **State funds leverage on average \$5 for every \$1 FMSIB dollar**
- **Freight volumes - 1st threshold measurement**
- **Must be on a state or regional plan**
- **Process goes beyond the numbers scored**

FMSIB Project Scoring Criteria

- **Freight Mobility for Project Area**
- **Freight Mobility for the Region, State & Nation**
- **General Mobility**
- **Safety**
- **Freight & Economic Value**
- **Environment - including diesel emissions**
- **Partnership**
- **Consistency with Regional & State Plans**
- **Cost benefit**
- **Special Issues**

FMSIB Assistance

- Brokering agreements
- Developing partnerships
- Mediating conflicts
- Cash flow management w/ partners
- Provide Federal funding advocacy

Partnerships

- Partnerships way of doing business but increasingly difficult to hold it all together
- Project success demands that Board and staff are into a major project integration, management, facilitation role
- “Freight network fragmentation” mandates multi-jurisdictional, multi-modal, urban/rural, public/private voice

Private Partners

- Direct financial contribution
- Right of Way donations
- Private \$\$ > Local Government
 - Development & Mitigation fees
 - Private sector stakeholders agreeing to self imposed LID collections

Other Key Partners

- City & County partners
 - Street funds
 - Competitive regional funds
 - Local taxes
- Ports – investments on/off of port property
- Tribal – Gas tax & casino funds
- Federal competitive funds
 - Improving national freight corridors
 - Tiger grants

Legislative Role & Transparency

- Funding: specific & programmed projects
- Individual projects – but part of strategic freight corridors
- Quarterly progress reporting
- Projects required to enter construction within 12 months of FMSIB funding award

Funding

- \$12M per biennium dedicated to freight
 - Freight Mobility Investment Account
 - Freight Mobility Multimodal Account
- \$2.5 M Highway Safety Funds
 - Not yet dedicated
- Next Revenue Package targets added \$10 M in weight fees per biennium

2010 JTC Efficiency Study

- Found FMSIB to be efficient – cost effective
- “Stakeholders found that FMSIB has successfully brought multiple partners together to create solutions”
- FMSIB’s role is “very valuable, ensuring that the economic importance of freight transportation is recognized and addressed”
- Consultant found “no need or benefit to fundamental changes in the current model”

Challenges

- Funding: \$100 M lost
- Partners: Lost match funding
- WSDOT: View of FMSIB
- Engaging jurisdictions that freight flows through
- Government drive for consolidation
- Public – Private timelines
- Keeping archaic turf battles in check

Strengths

- High level input from Board
- Decision makers - not just advisory
- Nimble responses - freight only issue
- Independent agency – honest broker
- Modal project validation
- Stakeholder support/advocacy
- Cost surety – no increases possible

Return On Investment Case Study

FMSIB Infrastructure projects
promotes private sector
investments to Washington

Port of Vancouver, USA

500 ocean-going vessels + river barges

5.6 million metric tons handled annually

15% imports 85% exports

Wheat , Scrap steel, Bulk minerals, Pulp

More than 2,300 people are directly employed by businesses at the port.

Port of Vancouver supports 17,000 jobs in SW WA





Port of Vancouver

New Access & Loop Track

\$56 M original single track project

\$10 M FMSIB share

Now \$275M project – business increase

Tiger & private \$\$ for expansion



Business Expansion/Location

- **United Grain** – corn & soybeans added
- 5 M to 8.4 M bushel expansion
- Grain facility investment **\$80 M**

- **Great Western Malting** - expanding
- Facility investment - **\$30 M**

- **Keyera Energy** – new propane tenant
- Facility Investment - **\$4.5 M**

Business Expansion/Location

- **Farwest Steel** – new 300,000 sq ft plant.
100 jobs relocated & 125 new jobs
- Facility Investment **\$50 M**

- **BHP Billiton** – Potash export facility
- 8 M metric tons annually
- Facility Investment **\$250 M**

Champions



All four caucuses

Questions?

FMSIB Website

WWW.FMSIB.WA.GOV